

IRS News Release

Media Relations Office

Washington, D.C.

Media Contact: 202.622.4000

www.irs.gov/newsroom

Public Contact: 800.829.1040

IRS Reminds Corporations to E-File or File for an Extension by March 15

IR-2007-57, March 12, 2007

WASHINGTON — Today the Internal Revenue Service reminds certain corporations with assets of \$10 million or more and whose tax year is the calendar year to e-file their returns or file for an extension by the March 15 filing deadline. Corporate taxpayers who chose to request extensions are encouraged to submit their requests through e-file.

"We are seeing significant increases in the number of electronically filed corporate tax returns due to the e-filing requirement for certain corporate taxpayers, the availability of enhanced electronic filing software, and the benefits realized by corporate taxpayers," said LMSB Commissioner Deborah M. Nolan. "E-filing brings increased efficiencies to the IRS which will ultimately benefit all taxpayers."

More than 22,000 large and mid-sized corporations with assets of \$10 million or more that file at least 250 federal returns each year, such as Form W-2 and Form 1099, are now required to file electronic returns. Treasury temporary regulations requiring certain corporations to e-file became effective in January 2005, and have been phased in over a two year period.

Businesses which operate on a calendar year rather than a fiscal year basis must file their returns for the previous year or file an application for an extension by March 15, 2007. A corporate taxpayer who e-files an application for an extension using Form 7004 will receive immediate acknowledgement of that request and whether it has been accepted or rejected.

The requirement that businesses e-file their returns is determined by type of tax return to be filed, amount of the filer's assets, and the total number of federal returns filed by the business. By the end of the first week in March, more than 1,800 large and mid-sized corporations submitted their tax returns electronically. This represents a 250% increase over the number of large and midsized electronic returns filed during in same period last year.

Since introducing corporate e-file in 2004, IRS has continued to streamline its processes and improve e-filing technology. The IRS continues to work closely with e-file software developers and e-file service providers to ensure corporate taxpayers a smooth transition to electronic filing. According to Don McPartland, an IRS senior executive, the agency's goal is to continue to streamline e-file processes, integrate e-file software into existing tax preparation systems, and provide quality service to IRS's many stakeholders.

Detailed e-filing guidance and instructions are available at www.irs.gov.